

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

METTANIE TAPIA, SHAUNA KERN, on behalf of
themselves and all others similarly situated,

Plaintiffs,

-against-

F.M.M.L. VENTURES, Inc., d/b/a SUGARDADDY's
GENTLEMAN's CLUB, FRANK MALATESTA,
individually, MARIA LANTIN, individually

Defendants.

**14-CV-7338
(ENV)(CLP)**

**SETTLEMENT AGREEMENT
AND
GENERAL RELEASE**

This Settlement Agreement and General Release of Claims ("Agreement") is entered into by and among Plaintiffs METTANIE TAPIA and SHAUNA KERN ("Plaintiffs") on the one hand and F.M.M.L. VENTURES, Inc., d/b/a SUGARDADDY's GENTLEMAN's CLUB, FRANK MALATESTA, MARIA LANTIN (collectively the "Defendants"), on the other hand.

WHEREAS, Plaintiff TAPIA alleges that she worked for Defendants from April 2013 to March 2014 as an employee; and

WHEREAS, Plaintiff KERN alleges that she worked for Defendants from July 2013 to November 2014 as an employee; and

WHEREAS, a dispute has arisen regarding Plaintiffs' alleged employment and the terms thereof, which dispute has resulted in the filing of an action in the United States District Court for the Eastern District of New York, Civil Action No: 14-CV-7338 (hereinafter "the Litigation"), alleging, among other things, a violation of federal and state wage and hour and overtime laws;

WHEREAS, the parties exchanged informal discovery with respect to Plaintiffs' alleged damages in the case;

WHEREAS, Defendants deny any violation of federal and state wage and hour and overtime laws;

WHEREAS, although no party hereto abandons any position taken in the Litigation, Plaintiffs and Defendants believe that continued litigation with respect to Plaintiffs' overtime claims would be protracted, expensive, and contrary to their best interests;

WHEREAS, the parties desire to resolve all disputes between them without the necessity of further litigation; and

WHEREAS, the parties are directed to submit this Agreement for Judge Wexler's review

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed as follows:

1. Payment: Defendants shall pay or cause to be paid to Plaintiffs, subject to the terms and conditions of this Agreement, and as full, complete, and final settlement and final satisfaction of any and all claims or potential claims Plaintiffs may have against Defendants through the Effective Date of this Agreement, including all counsel fees and costs incurred by Plaintiffs, the gross sum of One Hundred Thousand Dollars (\$100,000.00) (the "Settlement Amount") to be paid as set forth below: and delivered to: Raymond Nardo, P.C., 129 Third Street, Mineola, NY 11501. Said Settlement Amount shall be in equal amounts allocated as follows:

(1) one check made payable to "Raymond Nardo as attorney for Tapia, Kern," Taxpayer Identification Number 14-2001773, in the amount of Twenty Five Thousand Dollars (\$25,000.00), without withholdings, on or before 7 days after this Agreement is approved by the Court;

(2) one check made payable to "Raymond Nardo as attorney for Tapia, Kern" in the amount of Twenty Five Thousand Dollars (\$25,000.00), without withholdings, on or before 37 days after this Agreement is approved by the Court; and

(3) one check made payable to "Raymond Nardo as attorney for Tapia, Kern" in the amount of Twenty Five Thousand Dollars (\$25,000.00), without withholdings, on or before 67 days after this Agreement is approved by the Court; and

(4) one check made payable to "Raymond Nardo as attorney for Tapia, Kern" in the amount of Twenty Five Thousand Dollars (\$25,000.00), without withholdings, on or before 97 days after this Agreement is approved by the Court; and

RAYMOND NARDO P.C. shall provide an IRS Form W-9 to defendants' counsel along with this a signed copy of this Agreement.

This payment includes damages of \$33,333.33 per plaintiff, which is the approximate estimation of overtime and minimum wage damages, including liquidated damages, and \$16,666.50 for the law firms of Zabell & Associates and Raymond Nardo, P.C., which approximates the amount of time put by each firm, multiplied by their reasonable hourly rate, considering that both parties participated in discovery, negotiations, and several settlement conferences.

All defendants shall provide an affidavit of confession of judgment in the form annexed hereto as Exhibit B upon execution of this agreement. Such affidavit of confession shall provide that in the event that the defendants fail to make any of the payments required by Paragraph 2 of this Agreement, Plaintiffs shall be entitled to immediate judgment in their favor equal to the twice the Settlement Amount less any payments made towards the settlement amount. In the event that any payment is late, defendants counsel shall receive a letter by email and regular mail notifying of the default. If the default is not cured within ten days of the date of the email and letter, plaintiffs

may enter confessions of judgment, without notice, waiver, and presentment, as set forth above. Defendants shall have only one single opportunity to cure. If defendant defaults more than once, no notice to cure is required before entering the confessions of judgment.

Defendants agree that they shall not sell or transfer any assets until the Settlement Amount is paid in full.

2. Taxes: Plaintiffs shall be solely responsible for any taxes resulting from payments received under the Agreement. Plaintiffs shall indemnify and hold each of the Defendants harmless to the fullest extent permitted by law, including the payment of any damages, penalties, interest, attorneys' fees and/or judgments that may be incurred or imposed upon by Defendants resulting from payments under this Agreement, except for defendants' portion of payroll deductions.

3. Mutual Release and Covenant Not To Sue: Plaintiffs hereby irrevocably and unconditionally release from and forever discharge and covenant not to sue Defendants, and for each of them, their heirs, successors, assigns, affiliates, parent organizations, subsidiaries, directors, owners, shareholders, members, agents, attorneys, and managers any and all charges, complaints, claims, causes of action, suits, debts, liens, contracts, rights, demands, controversies, losses, costs and or expenses, including legal fees and any other liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected, whether fixed or contingent (hereinafter referred to as "claim" or "claims") which Plaintiffs at any time has, had, claims or claimed to have against Defendants relating to their employment with Defendants and regarding any events claimed to have occurred as of the Effective Date of this Agreement, including, without limitation, any and all claims related or in any manner incidental to the Litigation, such as Plaintiffs' employment or termination, or any liability under any contract, tort, federal, state or local fair employment practices or civil rights or any other law, including, but not limited to, the New York State Human Rights Law, New York City Human Rights Law, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Americans With Disabilities Act, the Age Discrimination in Employment Act, Older Workers' Benefit Protection Act, the Employee Retirement Income Security Act, COBRA, the Family and Medical Leave Act, the Fair Labor Standards Act, New York State Labor Law, New York City Labor Law, or any and all common law claims, including claims for wrongful discharge, breach of express or implied contract, breach of an implied covenant of good faith and fair dealing, violation of public policy, defamation or misrepresentation, or any claim for attorneys' fees, physical or emotional distress or injuries, punitive damages, compensatory damages, or any other duty or obligation of any kind or description whether arising in law or equity, except that nothing in this Agreement shall operate to preclude Plaintiffs from enforcing, or shall adversely affect their right or ability to enforce this Agreement. Nor are Plaintiffs waiving any protected claims under the state workers' compensation and/or unemployment law.

Each Defendant, for itself and its predecessors, successors, affiliate, parent and subsidiary companies, and all of their respective shareholders, members, officers, directors, managers, employees, agents, attorneys, and assigns, hereby waives, releases, acquits and forever discharges Plaintiffs, their heirs, executors, administrators, and assigns, from any and all claims or liabilities of whatever kind or nature that it has ever had or which they now have, known or unknown, including, but not limited to, any and all claims or counterclaims for breach of contract;

defamation; intentional or negligent infliction of emotional distress; negligence; violations of any federal, state, and/or local statutes, or violations of any other law, rule, regulation, or ordinance, and any other claims, counterclaims, and/or third-party claims, that have been, or could have been, asserted by the Defendant in any court, arbitration, or other forum arising out of or in any way related to the actual or purported relationship between Plaintiffs and the Defendant or the termination thereof, to the fullest extent permitted by law. This release does not apply to claims that may arise after the date this Agreement is executed.

Except to enforce the terms of this Agreement, Plaintiffs shall not institute, be represented in, participate in, or cause to be submitted or filed on their behalf any claim whatsoever claimed to have occurred as of the Effective Date of this Agreement, whether in an individual, class or other action, before any administrative agency, court, or other forum or accept any relief or recovery from or against Defendants. In the event any class or collection action is brought against Defendants that includes or may include Plaintiffs, Plaintiffs shall immediately withdraw therefrom without obtaining or accepting any relief or recovery. Plaintiffs will not accept any award or settlement from any source or proceeding brought by any other person or by any government agency with respect to any claim or right waived in this Agreement.

4. No Admission of Wrongdoing: This Agreement and compliance with this Agreement shall not be construed as an admission by Defendants of any liability whatsoever, or of any violation of any statute, regulation, duty, contract, right or order.

5. Modification of the Agreement: This Agreement may not be changed unless the changes are in writing and signed by a proper representative of Plaintiffs and Defendants.

6. Acknowledgment: Plaintiffs acknowledges that he has been fully and fairly represented by counsel in this matter. Defendants acknowledge that they have consulted with counsel for the purpose of this Agreement.

Plaintiffs and Defendants acknowledge that they are not relying upon any statement, representation or promise in executing this Agreement except for statements, representations or promises expressly set forth in this Agreement. They further acknowledge and agree that the only consideration for signing this Agreement is as set forth in this Agreement.

7. Governing Law: This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of New York, excluding the conflict-of-laws principles thereof. The parties consent and stipulate to the personal jurisdiction of the United States District Court for the Eastern District of New York and the Supreme Court of the State of New York in any subsequent proceeding to enforce this Agreement. The parties agree not to submit this Agreement to the Court unless required by the Court.

8. Counterparts: To signify their agreement to the terms of this Agreement and General Release, the parties have executed this Agreement on the date set forth opposite their signatures, which appear below. This Agreement may be executed in two or more counterparts and each of such counterparts, for all purposes, shall be deemed to be an original but all of such counterparts together shall constitute but one and the same instrument, binding upon all parties

hereto, notwithstanding that all of such parties may not have executed the same counterpart. Any photocopy of the executed original or of any counterpart shall be deemed to be an original for any and all purposes. The parties also agree that the executed counterparts may be delivered to the other parties by facsimile transmission and/or e-mail, the copy of which shall be deemed an original copy.

THEREFORE, the parties to this Agreement now voluntarily and knowingly execute this Agreement as follows:

Dated: _____

Dated: 12/28/15

Dated: 12/17/15

Dated: 12/17/15

Dated: 12/17/15

METTANIE TAPIA

SHAUNA KERN

FRANK MALATESTA

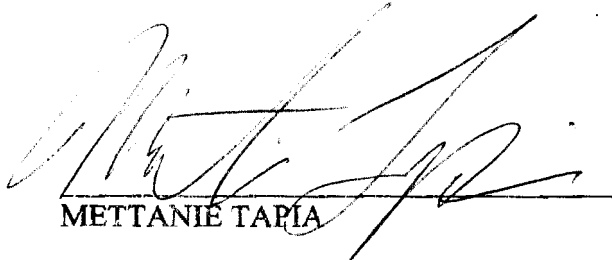
MARIA LANTIN

FRANK MALATESTA on behalf of F.M.M.L.
VENTURES, Inc.

hereto, notwithstanding that all of such parties may not have executed the same counterpart. Any photocopy of the executed original or of any counterpart shall be deemed to be an original for any and all purposes. The parties also agree that the executed counterparts may be delivered to the other parties by facsimile transmission and/or e-mail, the copy of which shall be deemed an original copy.

THEREFORE, the parties to this Agreement now voluntarily and knowingly execute this Agreement as follows:

Dated: 12/29/15


METTANIE TAPIA

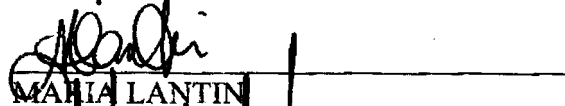
Dated: _____

SHAUNA KERN

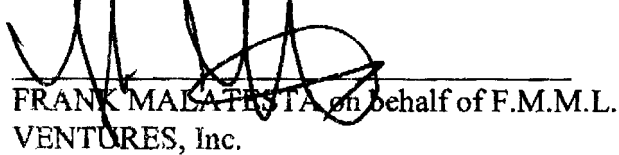
Dated: 12/17/15


FRANK MALATESTA

Dated: 12/17/15


MARIA LANTIN

Dated: 12/17/15


FRANK MALATESTA, on behalf of F.M.M.L.
VENTURES, Inc.

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

METTANIE TAPIA, SHAUNA KERN, on behalf of
themselves and all others similarly situated,

Plaintiffs,

-against-

F.M.M.L. VENTURES, Inc., d/b/a SUGARDADDY's
GENTLEMAN's CLUB, FRANK MALATESTA,
individually, MARIA LANTIN, individually

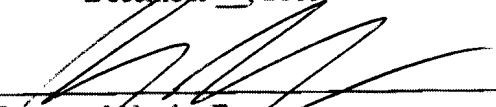
Defendants.

**14-CV-7338
(ENV)(CLP)**

STIPULATION OF DISMISSAL

IT IS HEREBY STIPULATED and agreed, by and between the undersigned attorneys for the parties, that the Complaint and any and all claims that were or could have been asserted in this action by any party are hereby dismissed in their entirety, with prejudice, and that the Court shall retain jurisdiction over this matter for purposes of enforcing this Agreement.

Date: Mineola, NY
December __, 2015


Raymond Nardo, Esq.
RAYMOND NARDO P.C.
129 Third Street
Mineola, NY 11501
Tel: (516) 248-2121
Email: raymondnardo@gmail.com
Attorney for Plaintiffs

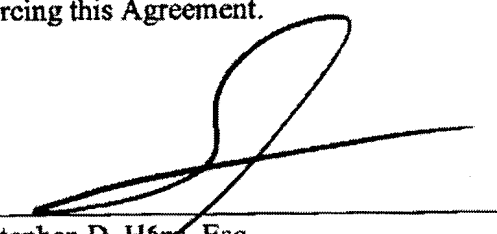

Stephen D. Hans, Esq.
STEPHEN D. HANS & ASSOCIATES
45-18 Court Square Suite 403
Long Island City, NY 11101
Tel: (718) 275-6700
Email: shans@hansassociates.com
Attorneys for Defendants

EXHIBIT A

Defendants in the above-captioned proceeding, together with statutory costs pursuant to 28 U.S.C. §§ 1920, 1921, 1923, and 1924; and reasonable attorneys' fees incurred in entering and enforcing the judgment; and interest on the judgment as provided in 28 U.S.C. § 1961.

4. This Confession of Judgment is for a debt justly due to Plaintiff pursuant to the Settlement Agreement.

5. The Settlement Agreement arises out of the above-captioned action, which was settled pursuant to a written agreement in the United States District Court, Eastern District of New York.

6. I hereby represent my understanding that upon Defendants' breach of the Settlement, and failure to cure, Plaintiffs shall have the unqualified right to cause this Confession of Judgment to be docketed and entered in this Court as a judgment against Defendants, jointly and severally, against all property, of any kind, in which I and/or the corporation stated herein, collectively or individually, have any ownership interest.

7. The original of this Affidavit of Confession of Judgment shall remain in the possession of Plaintiffs' counsel, RAYMOND NARDO, Esq., and the original shall be destroyed upon completion of the payment obligations contained in the annexed Agreement and Release.

A handwritten signature in black ink, appearing to read 'Frank Malatesta', is written over a horizontal line.

FRANK MALATESTA, individually and on
behalf of F.M.M.L. Ventures, Inc.

Sworn to and subscribed before me this

17 day of December, 2015

NOTARY PUBLIC

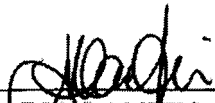
TIFFANY DEJESUS
NOTARY PUBLIC, State of New York
My Commission Expires September 20, 2016

TIFFANY DEJESUS
NOTARY PUBLIC, State of New York
No. 01DE6118265
Qualified in Queens County
My Commission Expires September 20, 2016

4. The Settlement Agreement arises out of the above-captioned action, which was settled pursuant to a written agreement in the United States District Court, Eastern District of New York.

5. I hereby represent my understanding that upon Defendants' breach of the Settlement, and failure to cure, Plaintiffs shall have the unqualified right to cause this Confession of Judgment to be docketed and entered in this Court as a judgment against me against all property, of any kind, in which I, collectively or individually, have any ownership interest.

6. The original of this Affidavit of Confession of Judgment shall remain in the possession of Plaintiffs' counsel, RAYMOND NARDO, Esq., and the original shall be destroyed upon completion of the payment obligations contained in the annexed Agreement and Release.



MARIA LANTIN

Sworn to and subscribed before me this

19 day of December, 2015

NOTARY PUBLIC

TIFFANY DEJESUS
NOTARY PUBLIC, State of New York
No. 01DE6116260
Qualified in Queens County
My Commission Expires September 20, 2016

